GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

STARRED QUESTION NO:251
ANSWERED ON:08.08.2001
MARGIN MONEY SCHEME
T.T.V. DHINAKARAN

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether Khati and Village Industries Commission (KVIC) had launched the `Margin Money Scheme` for setting up agro based and other rural industries;

(b) if so, the salient features of the Scheme;

(c) the number of units set up under the Scheme so far, State-wise; and

(d) the total amount sanctioned and spent under the Scheme during the last three years?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND RURAL INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PEN AND PENSIONERS WELFARE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 251 BY SHRI T DHINAKARAN, M.P., FOR ANSWER ON 08.08.2001

(a) to (d): With effect from the financial year 1995-96, the KVIC introduced a Margin Money Scheme for financing viable Village Industries projects. The Scheme provides 25% of the project cost for the projects upto Rs. 10 lakhs as margin money grant. For projects above Rs. 10 lakhs and upto Rs. 25 lakhs rate of margin money is 25% of Rs. 10 lakhs plus 10% of the remaining cost of the project. Special concession is being provided to SC/ST/Ex-servicemen/Women/ Minority/Physically Handicapped, OBC beneficiaries and all the beneficiaries of North Eastern region, Andaman & Nicobar and Sikkim State wherein the margin money grant is given at the rate of 30% of the project cost upto Rs. 10 lakhs. The State-wise projects sanctioned under Margin Money Scheme as on 31.3.2000 is at Annexure. The details of Margin Money advances placed with Nationalised Banks and State KVIBs as on May, 2001 are as under:-

Heads	Margin Money Advance Placed+	Margin Money Utilised+
1. Nationalised Banks	Rs. 213.07 Crores	Rs. 189.90 Crores
2. State KVIBs	Rs. 116.00 Crores	Rs. 79.00 Crores

+ It does not include funds spent from V.I. grant.